

Insurance - 3
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Ins. [Signature]

20 August 1954

Mr. Philip Young, Chairman
U. S. Civil Service Commission
Washington 25, D. C.

Dear Mr. Young:

Reference is made to our letter dated 17 August 1954 in response to your letter dated 10 August 1954 concerning the "Federal Employees' Group Life Insurance Act of 1954."

We have discussed one of the particular needs of this Agency with Mr. Warren Irons of the Commission, and we have handed to Mr. Irons the following suggestion of an exclusion to be incorporated in the Commission's regulations to be published for the administration of the act mentioned above:

"Employees whose duties involve the security of the United States and preclude their identification as employees of the Federal Government. Within a department or agency, the head thereof is authorized to designate those groups or individuals to which this exclusion should apply."

We believe that the suggested wording of the exclusion will cover those few individuals associated with this Agency to whom the privilege of purchasing this particular life insurance should be denied purely for reasons of security of operations. As discussed with Mr. Irons, we believe there are several other Federal agencies who probably will find this exclusion of benefit to them. We appreciate that whatever wording the Commission may finally decide upon will be responsive to the needs of all Federal agencies. In the event a major deviation from the wording we are suggesting appears desirable from your viewpoint, we would greatly appreciate the opportunity of viewing any such modification to determine the effect it might have upon this limited group of CIA employees.

At the group meeting this morning in the new GAO auditorium, our representative learned that it is planned to initiate this program effective with the pay period beginning 29 August 1954. As we understand the Commission's proposed instructions on this point, all individuals who are eligible to purchase the insurance involved will be covered automatically effective that date unless they indicate to the contrary. While we are deeply appreciative of the

problems confronting the Commission in this regard, we would like to bring to your attention the fact that for this Agency to provide automatic coverage to its eligible employees as of that date may generate untold administrative difficulties since it will be physically impossible for us to determine from each individual his desires in this matter by 29 August 1954.

Very truly yours,

SIGNED

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Assistant Director for Personnel

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